PROSPECTUS - LEASE NATIONAL INSTITUTES OF HEALTH SUBURBAN MARYLAND

Prospectus Number: PMD-01-WA14

Congressional District: 8

Executive Summary

The General Services Administration (GSA) proposes a new lease of up to 345,000 rentable square feet of space for the National Institutes of Health (NIH) currently located at 6701 and 6705 Rockledge Drive, Bethesda, MD, and 6100 Executive Blvd, Rockville, MD. The existing space is encumbered by one GSA lease and five NIH direct leases. These leases expire on February 1, 2014 and June 30, 2015.

NIH will improve their office utilization rate from 143 usable square feet (USF) per person to 100 USF per person and their overall utilization rate from 237 USF to 170 USF per person. The latter is consistent with the HHS 170 usf/person overall space utilization standard. The end product of improved space utilization is the prospectus proposal to house current personnel in 98,764 RSF less than the total of current occupancies.

Description

Occupant: NIH

Lease Type Replacement

Current Rentable Square Feet (RSF) 443,764 (Current RSF/USF =1.11) 345,000 (Proposed RSF/USF = 1.20) Proposed Maximum RSF:

Expansion/Reduction RSF¹: 98,764 RSF Reduction

Current Usable Square Feet/Person: 237 Proposed Usable Square Feet/Person: 170 Proposed Maximum Lease Term: 15 years

Expiration Dates of Current Lease(s): 2/1/2014 and 6/30/2015

Delineated Area: Suburban Maryland – Montgomery and Prince

George's Counties

Number of Official Parking Spaces:

Scoring: **Operating Lease**

Maximum Proposed Rental Rate²: \$35.00 Proposed Total Annual Cost³: \$12,075,000

¹ The RSF/USF at the current location is approximately 1.11. However to maximize competition a RSF/USF ratio of 1.20 is used for the proposed maximum RSF indicated in this prospectus.

²This estimate is for fiscal year 2015 and may be escalated by 1.9 percent annually to the effective date of the lease to account for inflation. The proposed rental rate is fully serviced including all operating expenses whether paid by the lessor or directly by the Government. GSA will conduct the procurement using prevailing market rental rates as a benchmark for the evaluation of competitive offers and as a basis for negotiating with offerors to ensure that lease award is made in the best interest of the government. Lease award shall not exceed the maximum rental rate as specified in this prospectus.

³Any new lease may contain an annual escalation clause to provide for increases or decreases in real estate taxes and operating costs.

PROSPECTUS – LEASE NATIONAL INSTITUTES OF HEALTH SUBURBAN MARYLAND

Prospectus Number: PMD-01-WA14

Congressional District: 8

Current Total Annual Cost:

\$17,176,275

Acquisition Strategy

In order to maximize the flexibility in acquiring space to house NIH, GSA may issue a single, multiple award solicitation that will allow offerors to provide blocks of space able to meet the requirements in whole or in part. All offers must provide space consistent with the delineated area defined by this prospectus.

Background

The multiple Institutes and Centers (ICs) located at 6701 Rockledge Drive and 6705 Rockledge Drive are integral components of NIH's mission. The ICs housed at these locations include: Office of the Director, National Heart, Lung and Blood Institute, the Eunice Kennedy Shriver National Institute of Child Health and Human Development, the Center for Scientific Review and the National Library of Medicine. The Office of the Director is housed in 6100 Executive Boulevard.

Justification

The current leases at 6701 and 6705 Rockledge Drive in Bethesda, MD expire on June 30, 2015. The current lease at 6100 Executive Boulevard expires February 1, 2014. NIH requires continued housing to carry out its mission.

The ICs, currently located at 6701 and 6705 Rockledge Drive, will continue to need efficient transportation access to the NIH campus in Montgomery County Maryland, NIH off-campus clusters, I-270, NW Beltway Spur, including proximity to the Metrorail system. Employees rely on the NIH shuttle service and public transit to make frequent trips to the NIH campus and other clusters.

Summary of Energy Compliance

GSA will incorporate energy efficiency requirements into the Request for Lease Proposals and other documents related to the procurement of space based on the approved prospectus. GSA encourages offerors to exceed minimum requirements set forth in the procurement and to achieve an Energy Star performance rating of 75 or higher.

PROSPECTUS – LEASE NATIONAL INSTITUTES OF HEALTH SUBURBAN MARYLAND

Prospectus Number: PMD-01-WA14

Congressional District: 8

Resolutions of Approval

Resolutions adopted by the House Committee on Transportation and Infrastructure and the Senate Committee on Environment and Public Works approving this prospectus will constitute approval to make appropriations to lease space in a facility that will yield the required rentable area.

Interim Leasing

GSA will execute such interim leasing actions as are necessary to ensure continued housing of the tenant agency prior to the effective date of the new lease. It is in the best interest of the Government to avert the financial risk of holdover tenancy.

Certification of Need

The proposed project is the best solution to meet a validated Government need.

Submitted at Was	shington, DC, onJanuary 8, 2014	
Recommended:	John Roby	
	Commissioner, Public Buildings Service	
Approved:	'/\\\\\\\\\\\\\\\\\\\\\\\\\\\\\\\\\\\\	
	Administrator General Services Administration	